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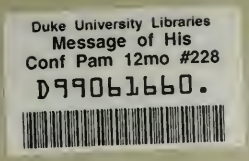

MESSAGE

OF

HIS EXCELLENCY, JOSEPH E. BROWN,

TO THE

GENERAL ASSEMBLY,

CONVENED IN THE CAPITOL BY HIS

PROCLAMATION,

MARCH 25TH, 1863.

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MESSAGE.

EXECUTIVE DEPARTMENT,
MILLEDGEVILLE, MARCH 25th, 1863.

To the Senate and House of Representatives:

I have felt it my duty to convene you at an earlier day than that fixed for your meeting, when you adjourned.

In the midst of a revolution of such vast magnitude as that in which we are engaged, the constant change in the circumstances by which we are surrounded, must frequently influence our actions, and develop sufficient reasons for a change of our opinions, or our policy. In December last, we passed an act prohibiting the cultivation of more than three acres of cotton to the hand this year, which virtually legalizes and invites its production to that extent. I am now fully satisfied, if the quantity of land mentioned in that act, is planted in Georgia and each of the other cotton States, the result will be, our subjugation by hunger, and the utter ruin of the Confederacy. Hence, I have felt it my duty, before the crop is planted, to call you together, and recommend the passage of an act, that will make it highly penal, for any one to cultivate exceeding one fourth of an acre to the hand. The enemy has overrun, and now holds a large part of the most productive lands in the Confederacy. As our limits are circumscribed and contracted, many of the loyal people of the sections in the possession of the enemy retire to the interior, and the number of persons to be supported from the products of the lands in our possession, is greatly increased, while the area of productive lands from which the support must come, is almost daily diminished. Most of the white laborers of the country, are now in the army, and new levies are constantly being made from those who remain. As these enter the military service, our fields are left uncultivated, while the women and children are still in our midst, and must be supported. The result is, that the country and the army are mainly dependent upon slave labor for a support. At the present prices of all the necessaries of life, it is impossible for the women and children to support themselves. In my opinion, it will take every acre of land, and every days' productive labor which we can command this year, to make

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our necessary support; and he who employs any portion of his lands and labor, in the production of cotton, tobacco, or any other products that will not sustain life, to that extent, endangers the success of our cause. The present prices of cotton make the temptation to plant it very strong, and the planter will quiet his conscience by the reflection, that the legislature has authorized him to plant three acres to the hand, and will plant his best land, place all his manure upon it, and make it the object of his special care and attention. There is now cotton enough in the Confederacy, to clothe our people for several years, and there is no reason why we should plant more than is actually necessary to keep seed. It may be said, that the planter can make more money out of cotton than grain and vegetables. This is very questionable. But if we admit that he can make double as much, this is no reason why he should be permitted to do it, if by so doing, he hazards the very existence of the States. What will his money, or his cotton, or his slaves, or his lands, be worth to him, if we are subjugated, and the civil and religious liberties, of himself and his posterity are destroyed?

As the war is now prosecuted by the Lincoln government, for the avowed purpose of abolishing slavery, no class of our people has so much at stake, as our slaveholders, who are generally our chief planters. They are dependent upon our white laborers in the field of battle, for the protection of their property; and in turn, this army of white laborers and their families, are dependent upon the slave owners for a support, while thus engaged. The obligation is mutual and reciprocal, and neither party has the right to disregard it.

The conduct of our planters last year was most patriotic and praiseworthy, and has saved our cause for the present, but the temptations held out to the avaricious, are much greater this year, owing to the high prices of cotton in the market; and I consider legislation absolutely necessary, to restrain those who would hazard all for gain. As it is now time to commence planting, I invoke your early attention to this question, in my opinion, second in importance to no other that is likely to come under your consideration. At the present time, money will not buy bread, in a large section of our own State, at any reasonable price. This is caused, partly by the severe drought of last summer, but is probably, owing in a greater degree, to the fact, that the lands in that section of the State, are cultivated almost entirely by white labor, and most of that labor being now in the army, the lands lie idle, and the women and children are destitute of bread. But for the large surplus, in the cotton region, scenes of suffering must ensue, which would be appaling to contemplate, and which must demoralize, if not disband

that part of the army, where the husbands and fathers of the sufferers, stand as a bulwark, between us and the enemy. Let not the people of the cotton sections of the State, where there is labor to cultivate all the lands, risk the chances of similar, or worse distress another year, lest consequences ensue, which may cost them, not only their cotton crops, but all that they have, and all that they expect to have in future. We can never be conquered by the arms of the enemy. We may be by hunger, if we neglect to husband all the resources for the supply of provisions, which a kind Providence has placed within our reach. Attempt to conceal it as we may, the fact is undeniable, that the great question in this revolution is now a question of *bread*. The army must be fed and their families at home supported, or the sun of liberty will soon set in darkness and blood, and the voice of freedom will be forever hushed in the silence of despotism.

THE LAW AGAINST DISTILLERIES.

Experience has shown that the law against the distillation of grain into ardent spirits, needs amendment. From information received from different parts of the State, I am satisfied that a large portion of the potatoe crop, most of the dried fruit, and a considerable quantity of the molasses in the State, have been, and are being distilled. Under pretence of distilling these articles, it is also said, that quantities of corn are being used by distillers, who keep their doors closed, and refuse to admit visitors who might testify against them. In other sections, it is said, they are running their stills, in open violation of the law, and no one has the nerve to withstand and prosecute them. To arrest these evils, I recommend that the law be so changed, as to make it highly penal during the war, for any one, in addition to the present prohibition, to distil potatoes, dried fruit, or molasses, without a license. And that every person who keeps his distillery locked, and refuses to admit visitors, day or night, when admission is asked, shall be held *prima facie* guilty of a violation of the law. And, that every person who runs his distillery without a license, shall be presumed to be guilty of distilling grain, or other article prohibited, and the burden of proof shall rest upon him, to show the contrary.

The law should also make the owner of the distillery liable to the penalties, if his stills are run by an insolvent person. And it should be made the duty of the Sheriff of the county, to call to his aid, all the force necessary, and destroy any distillery which is run in violation of law, as he would abate any other nuisance.

It has been impossible for the Inferior Courts of some of the counties, under my instructions, to find a person who will take the contract to make the quan-

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tity of spirituous liquors or alcohol necessary for medicinal uses, at the prices fixed by the statue. And as it is a violation of the law, for a person distilling under a license, to sell for more than the prices fixed by the statute, I recommend such change, as will authorize the lowest responsible bidder to be licensed, at such price, as may be agreed on between him and the Court, for the supply necessary for the county: the quantity recommended by the Court, to be subject to the approval of the Governor, before he issues the license.

TRANSPORTATION OF PROVISIONS.

So great is the scarcity of provisions, in the Cherokee Country, that it is impossible to subsist the soldiers families and the poor much longer, without the transportation of corn from South Western Georgia. The rolling stock upon the South Western, and the Macon and Western Railroads, is not sufficient to carry forward the corn, and to do the work required by the Confederate Government. Surrounded by these difficulties, I have thought it best, to direct the Superintendent of the State Road, to put one of his best trains upon the Roads to South Western Georgia, for the transportation of corn to supply bread to those who must otherwise suffer. I shall be obliged to continue this policy till the emergency is passed, though I may not be able to carry over the State Road, all Government freight offered, as promptly as I could wish. I feel it to be my highest duty, to so use the property of the State, as to prevent if possible, suffering, on the part of the poor, or the families of soldiers, for want of bread.

SALARIES.

I earnestly recommend the passage of an act repealing the act of 28th November, 1861, entitled "An Act to fix the salaries and compensation of certain officers mentioned therein, and for other purposes;" and that reasonable salaries be allowed.

It now takes the whole salary of a Judge of the Superior Courts for twelve months to purchase fifteen barrels of flour, or fifteen hundred pounds of bacon in the markets of this State. The per diem pay of a Judge while on his circuit does not nearly defray his necessary traveling expenses. Is this right? Can any intelligent legislator claim, that it is compatible with either the justice or the dignity of a great State?

The Constitution of Georgia, which we are bound by solemn obligation to support, says, "The Judges shall have salaries adequate to their services fixed by law." Are the present salaries of the Judges, or other officers of the State, *adequate* to their services? The question, to my mind, is

too plain for argument. I trust it is only necessary again to bring it to your attention, to secure prompt action.

THE NEW CODE.

The Code of this State having gone into operation on the first day of January last, it is a matter of great importance that the public officers be supplied with copies of it, that they and the people may have an opportunity of learning what the law is. It is not in my power to supply copies to even a considerable proportion of those who are entitled to them, on account of the neglect of Mr. John H. Seals the printer, to comply with his contract. Since the contract was entered into by him, he has represented to the General Assembly his inability to comply with his obligation without additional compensation, and five thousand dollars of extra pay has been allowed him. He has been paid the full amount agreed upon by the original contract for the whole job, and one-half of the extra amount appropriated. After this had been done, he still failed to comply with the contract, alleging that he could not get leather to make the binding. To relieve him from this difficulty, at your session in November and December last, you authorized the Governor to receive the books bound in an inferior style. Since this action on your part, he has not delivered a single copy, and no assurance is given when the books will be delivered. I have reasons to believe that Mr. Seals has sold a considerable number of copies to individuals or to the trade. I call your attention to this subject, and recommend such action on your part as may be necessary to compel performance on his part, or to take the printed sheets out of his hands, and have them bound by others, at his expense.

SMALL POX.

The physicians' bills sent to this Department by the Inferior Courts of many of the counties, for attention to persons afflicted with small pox, have, in my opinion, been so exorbitant that I have refused to pay them. There are several instances of physicians who have made out bills against the State for one or two months' attention to small pox cases, amounting to larger sums than they would, I suppose, be able to make by one or two years' practice. I respectfully ask that the law be so amended as to establish some just rule by which I am to be governed in the payment of these claims. The act only makes provision for the payment by the State of the expenses incurred at hospstals established by the Inferior Courts of the different counties. Many of the Courts have established no hospitals, and have had the cases treated at the houses of the afflicted, in different parts of the county. It is desirable that the will of the Legislature be more clearly expressed

in reference to cases of this character. While I do not think that stronger reasons exist why the State should pay the physicians' bills and other expenses incurred by attention to persons who have small pox, and are treated at home, when they are themselves able to pay, than in cases of other contageous diseases of a malignant character, it may be proper that such payments be made by the State, when the persons afflicted are unable to pay, and might otherwise be neglected on account of their poverty.

IMPRESSMENT OF NEGROES.

It will be remembered, that Brigadier General Mercer made a requisition upon the State, while you were last in session, for twenty-five hundred negroes, for sixty days, to work on the fortifications around Savannah, and that the Governor was authorized, by the action of the General Assembly, to fill the requisition. A call was afterwards made by authority of General Beauregard, for three hundred negroes to work on the obstructions of the Altamaha River, which requisition was also filled.

Many of the negroes sent to Savannah, have not yet been discharged, because, in the opinion of the military authorities there, the emergency was such as to make it a military necessity to retain them. New and additional fortifications have been projected, and no one seems to know when they will be completed. It is now required, that the negroes remain ninety days longer; or, if they are discharged, that their places be supplied immediately by a new levy.

The upper and western portions of the State, have not yet furnished their quota. If a new impressment is made, as the law now stands, it must be from these sections. The warm season is commencing, and the negroes from these parts of the State, are not accustomed to the climate of Savannah. Much sickness, and many deaths must therefore be expected among them. Again, the crop is now being planted, and it is a matter of great importance, that as little labor as possible be taken from the agricultural pursuits of the State.

In this state of the case, I respectfully ask, that the General Assembly, by joint resolution, or otherwise, give directions, at as early a day as possible, as to the best mode of furnishing the labor to complete the fortifications. It will also be proper that some just mode of ascertaining the value, and compensating the owners for the negroes who have died in the service, and the still larger number who may die during the summer season, be prescribed by law.

MILITARY LAW.

Section 1040 of the Code provides, that all elections for militia officers, of and above the rank of Captain, shall be ordered by the Commander-in-Chief.

This will cause a great accumulation of labor in the Executive Department, with much unnecessary delay and expense. I therefore recommend that the old rule be re-established, and that all vacancies below the grade of General, be filled by election ordered by the officer next highest in command, except in case of lieutenants, whose elections should be ordered by the Captain, as prescribed by Act of 11th February, 1850.

I also recommend the repeal of sections 986, 987, 988, 989, 990, 992 and 993, of the Code, which provide for the payment of a commutation tax in lieu of military service, as wholly inapplicable to the present condition of the country. The Comptroller General, by my direction, has left the columns relating to this commutation tax, out of the Receivers' Digest, till you shall have considered the question.

RIGHTS OF THE CHURCHES.

I recommend the repeal of section 1376 of the Code, which prohibits "any church, society, or other body, or any persons, to grant license or other authority, to any slave or free person of color, to preach or exhort, or otherwise officiate in church matters." I entertain no doubt, that negroes are sometimes very useful among their own people as preachers or exhorters. This is a question of which the church of the living God, and not the legislature of a State, is the proper judge. The loyal support which the churches of all religious denominations have given to the Confederate and State Governments, and the aid which they have afforded the government, in the maintenance of our slavery institutions, have demonstrated, that they understand this question, and may safely be trusted. The legislature under pretence of police regulation or otherwise, therefore, has no right to infringe upon religious liberty, or usurp the power which belongs to the churches. Render to Cæsar the things that are Cæsar's, and to God the things that are God's, is an injunction which the State has no right to disregard.

STATE ENDORSEMENT OF CONFEDERATE DEBT.

I transmit herewith copies of resolutions, passed by the legislatures of of the States of Alabama, South Carolina, Mississippi and Florida, proposing, upon different plans, the indorsement of the debt of the Confederacy by the States. No one can doubt the patriotic motives which have prompted this action of our sister States. But as this is a question of great magnitude, involving important principles, and as our action in the premises, must be followed by consequences seriously affecting the credit of the State, present and prospective, it is our duty to examine it

for ourselves, and not to be controlled by the decision and action of others.

If the proposed endorsement will have the effect of arraying the capital of the country against the Confederacy, and in favor of a reconstruction of the old Union, however laudable the motive, the act would be most unfortunate.

Again, if the effect will be to level the credit of all the States to an equality, without regard to the manner in which they have managed their financial affairs, or the amount of debt now owed by each, it would be gross injustice to those States which have conducted their affairs so well as to incur but little debt, and have maintained their credit at the highest point.

Furthermore, if the indorsement of the Confederate debt, by the States, can only be productive of temporary appreciation of Confederate credit, without permanent benefit, and must be followed by serious injury to the credit of the States, the policy is unwise, and should not be adopted.

Let us consider whether these would not be the legitimate effects of the proposed endorsement.

At present, almost every capitalist in the country, is the creditor of the Confederate Government, and is directly interested in maintaining its existence, and sustaining its credit. I speak not of individuals, but capital is generally selfish, and controlled more by interest than patriotism. When we have ascertained what will be the interest of capitalists we may generally have but little difficulty in determining what will be their action.

Suppose the whole debt of the Confederacy to have reached one billion of dollars, as it probably will have done by the time the States have all acted upon this proposition. It is not probable that capitalists, as a matter of choice, would prefer to credit our government with a larger debt than this hanging over it. But having already invested this enormous sum, if they feel that their only hope of payment rests upon the success, and permanent establishment, of the Confederacy, and it becomes necessary to invest another billion to establish the Government and avoid the loss of the sum already invested, interest will prompt them to stand by the government, sustain its credit, and make further advance if they have the means. But suppose at this period, all the States indorse the whole debt, or each indorses its proportion of it, what effect will this have upon the mind of the capitalist? If prior to the act, he looked only to the Confederacy for payment, and having now obtained the legal, as well as moral obligation of the individual States to pay, he is satisfied that this secures the debt, his interest in the permanent success of the Confederacy ceases, and he looks in future to the States for

payment. If after this, the old Union should be reconstructed, and the States of our Confederacy should return, and become members of it, the capitalist is not left to look to a Confederacy no longer in existence, for payment, nor to rely on the moral obligation of the States, to assume and pay the debt, but he rests upon the solemn legal indorsement of the individual States, which would be as binding upon them, in one Confederacy as in another.—The capitalists having thus obtained the solemn indorsement of the States, for a sum as large as they could reasonably be expected to pay, would naturally desire to prevent an increased liability, on the part of their debtors, the States, which would weaken their ability to pay, and might in future, cause the people to throw off the whole burden, on account of its accumulated weight. Knowing, in other words, that it is possible to increase debt to an amount so onerous, as to drive a people to repudiation, they might prefer to take their chances of payment of one billion of dollars of *State debt*, in the old Confederacy, rather than of two billions in the new. Hence it would be their interest to oppose the appropriation of the second billion of dollars, to prosecute the war for the establishment of the Confederacy, and to advocate a reconstruction for the purpose of securing an early peace, and of stopping further expenditure, that they may save what is already owing to them.

The rivers of blood which have been drawn from the veins of our fathers, brothers, husbands, sons and other relatives by the hands of our cruel enemies, form an impassable gulf between us and our wicked invaders. How can we again shake hands with them over the slain bodies of our loved ones, and again embrace them in fraternal relations? Were Georgians to do this, the blood of their brethren, who have fallen martyrs to our glorious cause would cry to them from the ground, and rebuke the dastardly deed. Sooner than reunite with those now seeking to enslave us, and under the name of Union with them, become, with our posterity, hewers of wood and drawers of water for them, let us submit, with more than Roman firmness, to the devastation of our fields, and, if need be, the extermination of our race. But let us do no act hastily, which, however patriotic the motive, may tend to array a powerful class in our midst against the Confederate Government. While Georgia with the dignity of a great State, should firmly maintain her reserved rights, and if need be, restrain the Confederate Government within the limits assigned it by the constitutional compact to which she is a party, she should stand by it, confined within its constitutional limits, with an unyielding determination to sustain it at every hazard, as well against injuries inflicted by the injudicious action of imprudent friends, as against

the thrusts of domestic enemies, or the herculean assaults of foreign foes. The future happiness of her posterity is firmly linked with the Confederacy. Thousands of her sons have nobly immolated their lives upon its altars, and the tens of thousands who survive should see to it that no rude hand is uplifted against it, that no false policy undermines its foundations, and that no usurpers destroy the beautiful symmetry of its magnificent structure.

We should not only sustain the Confederacy at all hazards, but we should also sustain the administration. We may differ from it on constitutional questions, or questions of policy. Such is the nature of the human mind, and such the variety of human intellect, that no two honest men were ever fully agreed in every sentiment. As long as freedom of thought and freedom of speech exist, we should have the independence to express our dissent from what we consider the errors of our rulers, and they should have the magnanimity to tolerate the difference. But while we contend earnestly for what we consider sound principles we should do no act which can seriously embarrass the administration in the prosecution of the war. In my judgment the proposed indorsement would, in the end, array a class of capitalists against the Government which would amount to serious embarrassment.

Again, it cannot be denied, that some of the States have managed their financial affairs better than others. Some have submitted to the necessary burdens of taxation, and met their liabilities as they were incurred, while others have added much of them to their debts. Hence, the debts of some are much larger, in proportion to their resources, than the debts of others. The consequence is, that the credit of the State that has the greatest resources and the least debt is worth most in the market. But, suppose all the States indorse the immense debt of the Confederacy, what is the result? As each State has its own individual indebtedness, and would then have assumed a legal liability for the debt of the Confederacy, the credit of each State is at once placed below the credit of the Confederacy; and as each would then be liable for as much as it could reasonably be expected ever to pay, the credit of the respective States would be placed, not only at a low point, but very nearly upon a level with each other. This would be injustice to those States which have maintained their credit at the highest point. Take for instance our own State. It may be truly remarked without disparagement to other States, that the debt of Georgia is less in proportion to her resources, than that of any other State in the Confederacy, or indeed any other upon the continent. The consequence is that her credit is worth a higher premium in the market than the credit of any other State in the Confederacy.—

Her people are therefore entitled to the benefits of her economy, her wise management, and her far seeing statesmanship. If she and the other States now indorse the Confederate debt, her credit is at once placed upon a level with Confederate credit, if not below it, and very nearly or quite upon a level with that of all the other States. The result is, that the people of the other States, reap the benefits of her better credit, to which the people of Georgia are alone entitled. This would be injustice to the people of Georgia, and to her creditors who have invested in her securities and are entitled to the benefits of her superior credit in the market. If it is said, her people should make sacrifices for the common cause; I reply, that no State has responded more promptly to every call made by Confederate authority for men, money or other assistance, and that she is ever ready to comply with every constitutional obligation.

Having shown, I trust, to your satisfaction, that the proposed indorsement would place the interest of the capitalists of the country, in the scale, against hazarding further appropriations for the establishment of the Confederacy; that it would be productive of injury to the credit of the individual States, and of injustice as between the States themselves; I now proceed to inquire, whether, if we waive these objections, it could be productive of the permanent benefits to Confederate credit claimed by its advocates.

Before proceeding, however, it is proper that I remark, that the advocates of indorsement are not agreed among themselves, and that two plans are proposed. One proposition contemplates a general indorsement of the whole debt of the Confederacy, by the several States; each to be liable in proportion to its representative weight in Congress.

The other, which may, I believe, properly be designated the South Carolina proposition, proposes the indorsement of $500,000,000 of the bonds hereafter to be issued by the Confederacy; each State indorsing its proportion of the bonds, on the basis of its relative representative weight in Congress. The latter proposition, is to my mind the less objectionable of the two; as it does not hold out the temptation above mentioned to capitalists, to whom the present debt is owing, to favor the reconstruction of the old Union, to prevent an increase of debt to maintain the further existence of the Confederacy.

The advantages claimed for both propositions are I believe, substantially the same. The chief of which is, that the proposed indorsement would reassure the confidence of capital, in Confederate credit, and cause its investment in the bonds of the Confederacy, in amounts sufficient to fund

all treasury notes issued in redundancy of healthy circulation; and thus reduce the circulation to an amount only necessary to meet the legitimate commercial demand for currency.

This looks well on paper; and might work well in practice, if there were enough surplus capital in the Confederacy, to convert hundred dollar bills into interest bearing bonds, and lay them away as investment, as fast as all the paper mills in the country can make the paper, and all the engravers can print upon it the likeness of circulating medium, and an army of Government clerks can sign these promises to pay. But here lies the difficulty. Whatever may be the confidence of capitalists in these securities, the country, devastated as it is by a destructive war, cannot yield surplus capital for permanent investment, as fast as hundred dollar bills, or thousand dollar bonds, can be manufactured.

Prior to the commencement of the war, the surplus capital of the South was invested in State Bonds, Bank Stock, Railroad Stock, Bonds of Corporations &c. Since that time, most of the surplus has been invested in Confederate bonds; and our people have not now, probably the half of five hundred millions of dollars that they can spare, to invest in any securities, however desirable. This measure might afford partial and temporary relief, by inducing some capital not now employed, to seek investment in these bonds. But if the war goes on, and the Government is under the necessity of issuing two or three millions of dollars a day, of its notes, for the next one, two, or three years, it must be admitted, that we have not the capital to absorb them as fast as issued; and the indorsement could only cause a temporary suspension of the depreciation which must follow our over issues; for the ultimate payment of which, no adequate provision is being made.

The advocates of this plan also contend, that the Government could fund the debt at home, at a heavy premium, in its favor, after the indorsement, basing the calculation upon the fact, that State credit is now worth a large premium, when compared with Confederate.

To show the fallacy of this conclusion, it is only necessary to inquire, why the bonds of the individual States command this premium. The debts of most of the States, are now small, compared with their resources, and their ability to pay; and capitalists naturally conclude, that in case of failure of the Confederacy, or ultimate repudiation by it, the States would pay their individual indebtedness, resting upon both, legal and moral obligation, in preference to their indirect indebtedness resting upon moral obligation, with no further legal obligation than that their people submit to such taxation as may be imposed by Congress to raise the

money to pay the debt. Georgia's seven per cent bonds are said to be worth 40 per cent premium, in currency, in the market. Why? Because her resources are great, and her debt small. Increase her indebtedness to one hundred millions, and her bonds will cease to command a premium. If we adopt either of the proposed plans, her debt may soon exceed this sum. When the States have committed themselves to the policy, and have indorsed the present Confederate debt, or have indorsed $500,000,000, they must extend their indorsements as future exigencies may, in the opinion of the Government require, until they have indorsed all future issues to be made by the Government. The advocates of the plan will have much stronger reasons for claiming the extension, when the States are once committed to the policy, than they now have for claiming the first indorsement. It is like a whirlpool, from which, when the States have once placed themselves within its power, there is no return. When the amount indorsed becomes, as it soon must, an enormous sum, the effect of the indorsement will be, to bring down State credit, even below Confederate credit, and not to bring up Confederate credit to the present level of State credit.

It is again said, that the proposed State indorsement would enable the Government to negotiate its bonds abroad, at a premium, and that there is a sufficiency of foreign capital, to absorb all our issues. The sufficiency of capital in that case is admitted; but the inquiry is, would the indorsement induce its investment in these bonds, at a premium, or at par, or even near to par?

We are engaged in a gigantic war. Our ports are blockaded. The great powers of Europe refuse, even to recognize us as a Government. Our expenditures are enormous, which cause our debt to accumulate rapidly, and we are not collecting taxes sufficient to pay interest; much less to create a sinking fund for the ultimate extinguishment of the principal. In this state of things, foreign capitalists refuse to invest in Confederate securities, and the credit of the individual States is far below par in foreign markets. How then is it to be reasonably expected, that the indorsement of the Confederate bonds by the States, will give them a value in foreign markets, which is attached to neither the credit of the Confederacy, nor of the individual States? While the war and the blockade last, and while we refuse to submit to taxation sufficient to retire a reasonable proportion of our paper issues, it is vain to expect that we can fund the debt abroad, without the most ruinous sacrifice, no matter how often the paper is indorsed by the parties now morally bound for its payment.

But it may be said, if the States are now morally bound for the payment of the debt, and their people are legally

bound to submit to the necessary tax for that purpose, when imposed by the Confederate Government, why not indorse the bonds, and let the States take upon themselves the direct legal obligation to pay. To my mind, there are very obvious reasons why it should not be done.

While the Constitutional obligation rests upon the people of the States, to submit to the taxation imposed *by Congress*, to pay the debts of the Confederacy, the Constitution imposes upon Congress, which is the power that creates the liability, the sole responsibility of devising the means, and assessing the taxes, necessary to discharge the obligation. This is as it should be. The power in the Government that creates the debt, should have resting upon it, the sole responsibility of providing the means for its payment, and of imposing the taxes for that purpose which may be necessary. The people then know how to hold their agents to a proper accountability.

Suppose, however, the States indorse the debt, and pledge their individual faith *as States*, for its payment at maturity; and Congress, afraid of its popularity, does not wish to take the responsibility to assess the tax, to meet it. What follows? The States to maintain their individual credit, must themselves assess, and collect the tax, and make the payment. Congressmen finding that they could in this way avoid an unpleasant responsibility, and retain their places with less difficulty, would, after having contracted the debt, when pay day came, turn over the responsibility to the legislatures of the States. Thus we should have one Government to spend the money, and another chargeable with the responsibility of raising it. Congress would then occupy, very much the position of the rich man's prodigal son at college, who, having no responsibility about footing the bill at the end of the year, feels very little concern about the size to which it accumulates.

Again, sad experience has shown us, that the tendency of our Government, is to consolidation, and that the central Government is ever ready to usurp as much undelegated power, as the States will consent to lose. As the central Government grows stronger, the States grow weaker, and their just rights are disregarded. Now, I can imagine no one act of the States, that will tend so much to strengthen the central Government, at the expense, to them, of the loss of their just powers, as the adoption of the policy now proposed, which binds them individually, to provide for the payment of all the debts which Congress may choose to contract, but may not be willing to impose the taxes to pay. The consummation of the policy is the complete consolidation of the Government, making the States the mere burden bearers of the central superior.

I may be met here, with the remark often made, that it

is no time now to defend the rights of States, or to maintain principles. State Rights, and Constitutional principles are the same in times of war as in times of peace: and should be maintained at all times, and under all circumstances. Power once usurped, with acquiescence, is never relaxed but at the point of the bayonet; and we should not forget, that rights surrendered in war, are never regained in peace. We should therefore do no act tending to destroy the States in one grand consolidation, and lay the foundation of a central despotism upon their ruins.

Having given some of the reasons which satisfy my mind, that the hopes entertained by the advocates of State indorsement, that the adoption of their policy would retire the excess of the currency, and reduce it to a healthy condition, are entirely delusive, I may be asked if there is no remedy for the evil. My opinion is, that so long as the war is carried on in its present magnitude, requiring the amount of daily expenditure now made, and the demand for all the necessaries of life exceeds the supply as far as it now does, there is no complete remedy for the present evils, of high prices and redundant paper currency. There is one remedy, and only one, which can mitigate the evil, inspire confidence in the stability of the Government, and the ultimate payment of the debt, and induce the investment of surplus capital of the people of other Governments, as well as our own, in Confederate bonds. That remedy is taxation by Congress, sufficient to pay the interest upon the whole debt, in gold or its equivalent, and to create an annual sinking fund, sufficient to extinguish the debt within some reasonable time. Convince capitalists everywhere, that this is the settled policy of the government, and that our people are ready to submit to it, and make all the sacrifices necessary to carry it out, and Confederate securities will be sought after in the market, and most of our excess of circulation funded, without the question being once asked, whether State indorsements have been written upon the bonds.

In place of the indorsement of the bonds of the Confederacy by the States, I therefore recommend as our response to be made to the propositions of our sister States, and as the Georgia policy in which their cooperation is respectfully asked, the passage of a joint resolution by the General Assembly, urging the Congress of the Confederate States, in view of the full magnitude of the crisis, to come up with nerve and firmness, to the discharge of its duty, by the assessment of a tax adequate to the purposes above mentioned; and pledging the people of Georgia, to a prompt and cheerful payment of their proportion of it. If this be done, I have no misgivings about the result. The good common practical sense of the people, which is seldom properly appreciated by politicians, has already grasped the question.

The people understand it. Every practical, business man knows, that paper promises, with paper indorsements, can never sustain our credit, as long as we appropriate, and draw hundreds of millions of dollars annually, from the treasury, and return nothing to it. No matter how many expedients we may try, we shall be constantly driven back to the same point. Government has but one way of raising money to reduce its indebtedness, and that is by taxation, direct or indirect. And as our ports are blockaded, so that we cannot raise money by indirect taxation upon imports, we have no alternative left but direct taxation. As long as we attempt to conduct this war, and maintain our armies upon paper promises alone, we must expect to encounter all the evils of depreciated credit, inflated currency, and high prices.

European Governments are already convinced by the gallant deeds of our armies, that we can never be conquered as long as we can keep and maintain those armies; but they very well understand, that the financial question underlies, and is the foundation upon which, the whole structure is built. This is our point of weakness, and to afford them but little evidence, that that is our true foundation. When we have convinced them, that we are prepared to make the sacrifices necessary to establish a safe and permanent financial system, we may expect both recognition and credit. Till we have done this, we cannot reasonably expect either.

Again, we have almost nothing by submitting to the taxation necessary to pay the interest, and create a sinking fund upon the gold basis. Whenever the people see the settled policy of the Government, the depreciation is very nearly stopped, and the currency left in our hands is worth almost or quite as much, as all we sell, as we would have were we paid the tax. To illustrate: The mechanic has one hundred dollars of Confederate Treasury notes. He wishes to purchase a good cow and calf, and he finds it will take the whole sum to pay for them. The currency is still depreciating, and at the end of the next three months it may take one hundred and twenty-five dollars to make the purchase. At this point, suppose the Government assesses a tax of five per cent. to establish the policy above indicated, and he is required to pay five dollars of his hundred to the Collector. The effect of this is to absorb that much of the over issue, and to give confidence in the ultimate redemption of the whole. This will at once stop the decline in the value of the notes, and may cause them to appreciate. The consequence will be, that he can probably purchase the same property with the ninety-five dollars which remain in his hands after the payment of the tax. In a word, by paying back part of the redundant

currency into the Treasury, we stop the depreciation of its value, and leave the balance in circulation, worth as much in the purchase of property as the whole was worth before the tax was paid. But suppose the tax to be burdensome, and to absorb a large proportion of our surplus income. Is this a reason why it should not be collected? We must submit to burdens, and make heavy sacrifices to sustain the government, maintain our credit, and support our armies; or all we possess must go down, together in a crash, and involve us and our posterity in one common ruin.

Before closing my remarks upon this subject, I beg leave to express my firm conviction, that the policy advocated by some of us issuing the Confederate tax, when assessed, and adding it to the debt of the State, instead of collecting it, has already been carried as far as wise statesmanship or the exigencies of the times will permit. It is simply shifting the burden from one shoulder to the other. Or, in other words, it is an attempt, in another form, to conduct the war upon paper, without its costing us anything. We have no right to turn over all the burdens of the present generation to posterity. This would be as contrary to justice and sound principles as it would be for Congress to contract the debt and turn over to the State governments the responsibility of providing the means for its payment.

The policy is exceedingly unwise in this also, that it causes the State to borrow the present currency at par, to be paid back, years hence, with interest, in gold. What prudent man would do this, in the management of his own affairs? Suppose one planter owes another ten thousand dollars, would he sell property now at the present high prices in currency and pay the debt, or would he hold on to his property, and pay interest upon the debt 'till the war is over, and the price of everything is again estimated upon the gold basis, and then sell five times as much property to pay the same debt? If he adopted the latter alternative, we would say, he needed a guardian. If we agree that this policy would be unwise in individuals, we must not forget, that the State is but an association of individuals. Which upon a question of this character, we have ascertained what would be the interest of a prudent individual, or a small number of individuals, we have only to enlarge the circle, and we have the interest of the State. This is a rule by which I have been guided in the management of the finances of the State, and I believe it to be the only true and successful one.

Our people can now pay five millions of dollars in the present currency easier than they can pay one million in gold, in what are usually called hard times, when property is low and money scarce. It may be said, why not keep our property and leave this matter to posterity? Who are

to be posterity? Our children. For whom are we laboring? Our children. If, then, our property is expected to descend to our children, why accumulate a debt to hang over it and descend with it, by borrowing money at the rate of twenty cents for a dollar, to be paid back by them out of our property in gold, dollar for dollar, with interest. I trust this policy will find very few advocates.

It is infinitely better for us to submit to all the taxation, and make all the sacrifices necessary to maintain our Government and sustain our credit, than to permit the enemy to overturn our Government, plunder our homes, insult our wives and our daughters, confiscate our property, and enslave ourselves and our posterity. We cannot avoid the one alternative or the other. Humbly imploring a continuation of Divine favor, let us resolve to stand in our allotted places, make all the sacrifices necessary, and place our entire trust in the God of Israel, who is "a very present help in trouble," and all will yet be well.

JOSEPH E. BROWN.

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